

Prior law required the commissioner of insurance to conduct an annual review of all insurers in the state other than life, health, and accident insurers and non-profit funeral associations.

New law removes the current restrictions and requires that the commissioner conduct financial and market analysis of all insurers licensed to do business in the state and conduct regulatory reviews of any entities regulated by the Department of Insurance or regulated under Title 22 of the LRS. New law requires that such reviews include the market conduct annual statement of the insurer or regulated entity.

New law removes the prior law requirement that the commissioner timely furnish to each insurer a report detailing the finding of the annual review and for the insurer to send a response to the commission within 45 days.

New law provides that in the case of a foreign insurer licensed in the state, the commissioner may rely upon the financial or market analysis conducted under the National Association of Insurance Commissioners' Financial Regulation Standards and Accreditation Program.

New law provides that failure of an insurer or regulated entity to provide requested information to the department during such financial or market analysis may subject the insurer or regulated entity to revocation or suspension of license or a fine. Requires that every insurer or regulated entity produce and make freely accessible to the commissioner the accounts, records, documents and files in its possession or control.

New law provides that all work papers, recorded information, documents and copies of those documents utilized in the course of a regulatory review, financial, or market analysis shall be given confidential status and shall not be subject to a subpoena or to discovery, except in specific circumstances.

New law provides that any documents, materials, or other information which are disclosed by the commissioner to a third party shall not be admissible in evidence in a private civil action and shall be exempt from any applicable freedom of information law, public records law, or similar statute. Provides that no person or entity which receives or has access to documents or other information shall be permitted or required to testify in a private civil action concerning such documents or other information. Provides that no waiver of an applicable privilege or a claim of confidentiality in the documents or other information shall occur as a result of disclosure to the commissioner. Nothing in new law shall require an insurer to disclose documents or other information to a third party that is not otherwise required by law to be disclosed.

New law provides that in the conduct of these financial and market reviews guidelines and procedures set forth in the *Financial Analysis Handbook* or the *Market Regulation Handbook* shall be employed, subject to the commissioner's discretion.

New law provides that nothing in new law shall be construed to limit the commissioner's authority to use these findings in any legal or regulatory action which the commissioner deems appropriate.

New law provides for 30 days notice to an insurer or regulated entity should any fine be levied.

Prior law provided exceptions to documents that are subject to the public records law. New law adds to the list of exceptions the financial and market analysis provided under new law.

Effective August 15, 2010.

(Amends R.S. 22:1984 and R.S. 44:4.1(B)(10))